

**OFFICIAL FILE**  
**ILLINOIS COMMERCE COMMISSION**

**ORIGINAL**

(File Original and 3 copies)

Docket No. \_\_\_\_\_  
ICC Office Use Only

**APPLICATION FOR CERTIFICATE TO BECOME A  
TELECOMMUNICATIONS CARRIER**  
(Use additional sheets as necessary.)

**GENERAL**

1. Applicant's Name (including d/b/a, if any)

FEIN # 36-4366653

**BITWISE COMMUNICATIONS, INC. ("BITWISE")**

Address: Street 1301 Pioneer Parkway

City: Peoria State/Zip: Illinois 61615

00-0480

CHIEF CLERK'S OFFICE

JUL 3 9 28 AM '00

ILLINOIS  
COMMERCE COMMISSION

2. Authority Requested: (Mark all that apply) X 13-403 X 13-404 X 13-405

3. Request for waivers/variances: In applications for exchange service authority under Sections 13-404 or 13-405, waivers of Part 710 and of Section 735.180 of Part 735 are generally requested. In applications for interexchange service authority under Sections 13-403 and 13-404, waivers of Part 710 and Part 735 are generally requested. Please indicate which waivers Applicant is requesting.

X Part 710 X Part 735 X Section 735.180 X Other

4. In what area of the state does the Applicant propose to provide service?

**BITWISE seeks authority to offer its services throughout the State of Illinois.**

5. Please attach a sheet designating contact persons to work with Staff on the following:

- a) issues related to processing this application
- b) consumer issues
- c) customer complaint resolution
- d) technical and service quality issues
- e) "tariff" and pricing issues
- f) 9-1-1 issues
- g) security/law enforcement

Please identify each contact person's (i) name, (ii) title, (iii) mailing address, (iv) telephone number, (v) facsimile number, and (vi) e-mail address, if any.

**See Exhibit 1.**

6. Please check type of organization?

☐ Individual                      ☒ Corporation  
☐ Partnership                      Date corporation was formed May 10, 2000  
In what state? Illinois  
☐ Other (Specify)

7. Submit a copy of articles of incorporation and a copy of certificate of authority to transact business in Illinois.

**Applicant's Certificate of Incorporation is attached hereto as Exhibit 2 to this Application.**

8. List jurisdictions in which Applicant is offering service(s).

**BITWISE is not currently providing service in any state.**

9. Has the Applicant, or any principal in Applicant, been denied a Certificate of Service or had its certification revoked or suspended in any jurisdiction in this or another name?

☐ YES (Please provide details)      ☒ NO

10. Have there been any complaints against the Applicant in any other jurisdiction?

☐ YES      ☒ NO

If YES, describe fully.

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11. Will the Applicant keep its books and records in Illinois? ☒ YES      ☐ NO  
If NO, permission pursuant to 83 Ill. Adm. Code Part 250 needs to be requested.

## MANAGERIAL

12. Please attach evidence of the applicant's managerial and technical resources and ability to provide service. This may be in either narrative form, resumes of key personnel, or a combination of these forms.

**See Exhibit 4.**

13. List officers of Applicant.

CEO/CFO/President:  
Mr. Shaher Mizyed  
1211 Cayman Cove  
Peoria, Illinois 61615

CTO:  
Mr. Michael Shuler  
10842 Havenhurst Lane  
Peoria, Illinois 61615

Secretary:  
Mohammed Mizyed  
5414 N. Castleberry Drive  
Peoria, Illinois 61615

14. Does any officer of Applicant have an ownership or other interest in any other entity which has provided or is currently providing telecommunications services?  
    YES   X   NO

15. How will Applicant bill for its service(s)? All services will be billed monthly by BITWISE.

16. How does Applicant propose to handle service, billing, and repair complaints?

All complaints will be referred to the BITWISE Customer Service Department which will respond promptly to the customer. BITWISE will maintain a toll-free customer service number between the hours of 8:00 am and 12:00 midnight prevailing Eastern Time to address service, billing, and repair complaints. BITWISE will add a Toll Free number prior to commencing services.

17. Will personnel be available at Applicant's business office during regular working hours to respond to inquiries about service or billing? ☒ YES ☐ NO

18. What telephone number(s) would a customer use to contact your company?

**#309.689.0711**

19. What are your procedures to prevent unauthorized slamming of customers?

**BITWISE has not yet finalized its marketing program and has therefore not instituted formal procedures concerning the unauthorized slamming of customers. Applicant will comply with all applicable Illinois state slamming rules and regulations and the FCC's regulations regarding how interexchange carriers may change a consumer's Primary Interexchange Carrier. Applicant will comply with the FCC's forthcoming regulations regarding how carriers may change a consumer's primary local exchange or interexchange provider.**

20. If granted authority to operate as a local exchange carrier, will the applicant abide by the following 83 Illinois Administrative Code Parts: 705, 710, 720, 725, 735, 755, 756, 757, 770, and 772?

☒ YES ☐ NO (If no, please provide an explanation.)

21. Will the applicant sign and return membership forms to the Universal Telephone Assistance Corporation and the Illinois Telecommunications Access Corporation? ☒ YES ☐ NO

## **FINANCIAL**

22. Please attach evidence of applicant's financial fitness through the submission of its most current income statement and balance sheet, or other appropriate documentation of applicant's financial resources and ability to provide service.

**Applicant is financially qualified to render its proposed telecommunications services. A copy of BITWISE's proforma financial statements are attached hereto as Exhibit 5.**

## **TECHNICAL**

23. Does Applicant utilize its own equipment and/or facilities? ☐ YES ☒ NO

If YES, please list: \_\_\_\_\_

If NO, which facility provider(s)'s services does Applicant use? **BITWISE intends to provide competitive local services to BITWISE' consumers through the its' facilities, upon completion of interconnection and operational arrangements that are to be negotiated in accordance with the Telecommunications Act of 1996. In the future,**

arrangements that are to be negotiated in accordance with the Telecommunications Act of 1996. In the future, BITWISE may install and utilize its own switching facilities. Where economically prudent, BITWISE may also install additional facilities where warranted by demand. BITWISE, however, has no permanent plan for constructing facilities in Illinois at this time. In the event necessary, BITWISE would comply with all relevant Commission regulations.

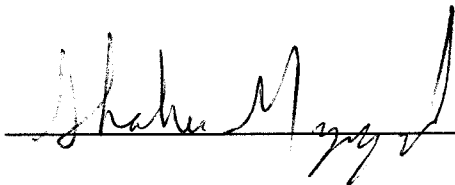
24. Please describe the nature of service to be provided (e.g., operator services, internet, debit cards, long distance service, local service).

BITWISE will provide high quality resold and facilities-based local exchange, InterExchange and Internet services on a full-time basis, twenty-four hours a day, seven days a week.

25. Will technical personnel be available at all times to assist customers with service problems?

  X   YES        NO

26. If Applicant intends to provide payphone service, will the equipment utilized comply with FCC requirements and Finding (9) of the Commission Order entered in Docket No. 84-0442 on June 11, 1986, including, but not limited to: (a) touch dialing; (b) access to 9-1-1 and "0" operator dialing without use of a coin; (c) rules governing use of payphones by disabled persons; (d) ability to complete local and long-distance calls; (e) unlimited duration for local calls; and (f) a message explaining the telephone's general operations, dialing instructions for emergency assistance, payphone owner's name, method of reporting service problems and method of receiving credit for faulty calls?        YES Not Applicable NO



(Signature of Applicant)

## VERIFICATION

This application shall be verified under oath.

## OATH

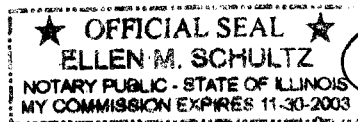
State of Illinois )  
County of Peoria )ss  
)

**Shaher Mizyed** makes oath and says that he is **President** of BITWISE Communications, Inc. that he has examined the foregoing application and that to the best of his knowledge, information, and belief, all statements of fact contained in the said application are true, and the said application is a correct statement of the business and affairs of the above-named applicant in respect to each and every matter set forth therein.

Shaher Mizyed  
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public Ellen M. Schultz  
(Title of person authorized to administer oaths)

in the State and County above named, this 22nd day of June 2000  
1999.



Ellen M. Schultz  
(Signature of person authorized to administer oath)

## **EXHIBITS**

Exhibit 1	BITWISE Communications, Inc. Contact Persons
Exhibit 2	Certificate of Incorporation
Exhibit 3	Descriptions of Telecommunications and Managerial Experience of Key Personnel of BITWISE Communications, Inc.
Exhibit 4	Financial Qualifications

## **EXHIBIT 1**

### **BITWISE Communications, Inc. Contact Persons**

#### **Contact Person**

#### **Name/Title**

(a) Issues related to processing this application:

Joseph Isaacs, CEO  
ISG-Telecom Consultants  
838 Village Way  
Suite 1200  
Palm Harbor, FL 34683  
Phone: (727) 738-5553  
Fax: (727) 738-5554

b) Consumer Issues:

Shaher Mizyed  
BITWISE Communications, Inc.  
1301 Pioneer Parkway  
Suite # 210  
Peoria, Illinois 61615  
Phone: (309) 689-0711  
Fax: (309) 689-1897

c) Customer Complaint Resolution:

Shaher Mizyed  
BITWISE Communications, Inc.  
1301 Pioneer Parkway  
Peoria, Illinois 61615  
Phone: (309) 689-0711  
Fax: (309) 689-1897



d) Technical and Service Quality Issues:

Michael Shuler  
BITWISE Communications, Inc.  
1301 Pioneer Parkway  
Suite # 210  
Peoria, Illinois 61615  
Phone: (309) 689-0711  
Fax: (309) 689-1897

e) 9-1-1 Issues:

Not applicable

f) Security/Law Enforcement:

Shaher Mizyed  
BITWISE Communications, Inc.  
1301 Pioneer Parkway  
Suite # 210  
Peoria, Illinois 61615  
Phone: (309) 689-0711  
Fax: (309) 689-1897

**EXHIBIT 2**

**Certificate of Incorporation**

FEIN # 36-4366653

File Number 6105-798-6

State of Illinois  
Office of  
The Secretary of State

Whereas, ARTICLES OF INCORPORATION OF  
BITWISE COMMUNICATIONS, INC.  
INCORPORATED UNDER THE LAWS OF THE STATE OF ILLINOIS HAVE BEEN  
FILED IN THE OFFICE OF THE SECRETARY OF STATE AS PROVIDED BY THE  
BUSINESS CORPORATION ACT OF ILLINOIS, IN FORCE JULY 1, A.D. 1984.

Now Therefore, I, Jesse White, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this certificate and attach hereto a copy of the Application of the aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, at the City of Springfield, this 10TH day of MAY A.D. 2000 and of the Independence of the United States the two hundred and 24TH



C-2123

Jesse White

Secretary of State

Form <b>BCA-2.10</b>   <b>ARTICLES OF INCORPORATION</b>	
(Rev. Jan. 1999) Jesse White Secretary of State Department of Business Services Springfield, IL 62756 <a href="http://www.sos.state.il.us">http://www.sos.state.il.us</a> Payment must be made by certified check, cashier's check, Illinois attorney's check, Illinois C.P.A.'s check or money order, payable to "Secretary of State."	This space for use by Secretary of State <div style="text-align: center; font-size: 2em; font-weight: bold;">FILED</div> <div style="text-align: center; font-weight: bold;">MAY 10 2000</div> <div style="text-align: center; font-weight: bold;">JESSE WHITE SECRETARY OF STATE</div>
	<div style="border: 1px solid black; padding: 2px; text-align: center; font-weight: bold;">SUBMIT IN DUPLICATE!</div> This space for use by Secretary of State Date: <u>5-10-00</u> Franchise Tax: \$ <u>300.00</u> Filing Fee: \$ <u>75.00</u> Approved: <u>[Signature]</u>

1. CORPORATE NAME: BITWISE COMMUNICATIONS, INC.

(The corporate name must contain the word "corporation", "company," "incorporated," "limited" or an abbreviation thereof.)

2. Initial Registered Agent:	<u>Kenneth</u>	<u>E.</u>	<u>Davis</u>
	<i>First Name</i>	<i>Middle Initial</i>	<i>Last name</i>
Initial Registered Office:	<u>309-A</u>	<u>Main Street</u>	
	<i>Number</i>	<i>Street</i>	<i>Suite #</i>
	<u>Peoria</u>	<u>Peoria</u>	<u>61602</u>
	<i>City</i>	<i>County</i>	<i>Zip Code</i>

3. Purpose or purposes for which the corporation is organized:  
 (If not sufficient space to cover this point, add one or more sheets of this size.)

The transaction of any and all lawful business for which a corporation may be incorporated under the Business Corporation Act of 1983.

4. Paragraph 1: Authorized Shares, Issued Shares and Consideration Received:

Class	Par Value per Share	Number of Shares Authorized	Number of Shares Proposed to be Issued	Consideration to be Received Therefor
Common	\$ NPV	100,000	20,000	\$ 200,000.00

TOTAL = \$ 200,000.00

Paragraph 2: The preferences, qualifications, limitations, restrictions and special or relative rights in respect of the shares of each class are:

(If not sufficient space to cover this point, add one or more sheets of this size.)

(over)

5. OPTIONAL: (a) Number of directors constituting the initial board of directors of the corporation: \_\_\_\_\_  
 (b) Names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and qualify:

Name	Residential Address	City, State, ZIP

6. OPTIONAL: (a) It is estimated that the value of all property to be owned by the corporation for the following year wherever located will be: \$ \_\_\_\_\_  
 (b) It is estimated that the value of the property to be located within the State of Illinois during the following year will be: \$ \_\_\_\_\_  
 (c) It is estimated that the gross amount of business that will be transacted by the corporation during the following year will be: \$ \_\_\_\_\_  
 (d) It is estimated that the gross amount of business that will be transacted from places of business in the State of Illinois during the following year will be: \$ \_\_\_\_\_

7. OPTIONAL: OTHER PROVISIONS

Attach a separate sheet of this size for any other provision to be included in the Articles of Incorporation, e.g., authorizing preemptive rights, denying cumulative voting, regulating internal affairs, voting majority requirements, fixing a duration other than perpetual, etc.

8. NAME(S) & ADDRESS(ES) OF INCORPORATOR(S)

The undersigned incorporator(s) hereby declare(s), under penalties of perjury, that the statements made in the foregoing Articles of Incorporation are true.

Dated \_\_\_\_\_, \_\_\_\_\_  
 (Month & Day) Year

1. Kenneth E. Davies  
 Signature  
Kenneth E. Davies  
 (Type or Print Name)

2. \_\_\_\_\_  
 Signature  
 (Type or Print Name)

3. \_\_\_\_\_  
 Signature  
 (Type or Print Name)

Address  
 1. 309-A Main Street  
 Street  
Peoria IL 61602  
 City/Town State ZIP Code

2. \_\_\_\_\_  
 Street  
 City/Town State ZIP Code

3. \_\_\_\_\_  
 Street  
 City/Town State ZIP Code

(Signatures must be in **BLACK INK** on original document. Carbon copy, photocopy or rubber stamp signatures may only be used on conformed copies.)

NOTE: If a corporation acts as incorporator, the name of the corporation and the state of incorporation shall be shown and the execution shall be by its president or vice president and verified by him, and attested by its secretary or assistant secretary.

FEE SCHEDULE

- The initial franchise tax is assessed at the rate of 15/100 of 1 percent (\$1.50 per \$1,000) on the paid-in capital represented in this state, with a minimum of \$25.
  - The filing fee is \$75.
  - The minimum total due (franchise tax + filing fee) is \$100.  
 (Applies when the Consideration to be Received as set forth in Item 4 does not exceed \$16,667)
  - The Department of Business Services in Springfield will provide assistance in calculating the total fees if necessary.
- Illinois Secretary of State Springfield, IL 62756  
 Department of Business Services Telephone (217) 782-9522 or 782-9523

C-182.20

**EXHIBIT 3:**

**Descriptions of Telecommunications and Managerial  
Experience of Key Personnel of BITWISE Communications, Inc.**

# Michael B. Shuler

10842 N. Havenhurst Ln.

Peoria, IL 61615

(309) 691-2675

## Education

- 1991-95 South O'Brien High School. Was in college level courses and advanced level courses in mathematics, physics, and computers throughout the 4 years. Received several computer related awards.
- 1991-95 Attended several community colleges via Iowa's post secondary enrollment option while still in high school. Attended basic core classes for majors to follow.
- 1995-96 Attended Iowa State University with a triple major in computer, electrical, and mechanical engineering.

## Skills

*Programming languages:* C/C++, 80x86 Assembly, Perl, Visual FoxPro/SQL

*OS:* UNIX (Linux, Solaris, IRIX), Windows 3.X/95/98/NT, DOS

*Routing:* Cisco IOS, Ascend/Lucent TAOS, GateD, BGP4, OSPF, RIP

*Other Experience:* ATM, SS7, TDM, xDSL, Fiber Optics, Microwave Towers

## Employment

- 1991-Current C.E.O. and founder of BitWise Systems, Inc. a 26 employee ISP in Peoria, IL with ~10,000 subscribers spanning 114 cities. Responsible for company technical and general management. BitWise Systems, Inc. provides 56K dial-up, high speed dedicated circuits, high speed microwave wireless, web hosting, web design, and network consulting services.
- 1996 Iowa State University virtual reality lab. Wrote software for SGI graphics servers & workstations used by companies such as Caterpillar, GM, and John Deere for thermal analysis and stress testing of products.

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## Shaher M. Mizyed

1211 Cayman Cove  
Peoria, IL 61615  
(309) 692-0306

### Education

- 1978-82      Graduated from Bradford High School Bradford, IL.
- 1982-84      Blackhawk Jr. College majoring in finance. Graduated with 2 year degree.
- 1984-86      Illinois State University majoring in finance. Graduated with bachelors of science.

### Skills

*Managerial:* Experienced with coordinating large numbers employees.  
*Financial:* Worked with procuring financing for large companies.  
*Property:* Own and maintain several commercial and residential rental properties.

### Employment

- 1998-Current    C.F.O. of BitWise Systems, Inc. a 26 employee ISP in Peoria, IL with ~10,000 subscribers spanning 114 cities. Responsible for company financial and general management. BitWise Systems, Inc. provides 56K dial-up, high speed dedicated circuits, high speed microwave wireless, web hosting, web design, and network consulting services.
- 1994-Current    President of Mizyed, Inc. a property management company located in Peoria, IL. Mange all aspects of financing, purchasing, maintaining, and leasing of all properties.
- 1988-1998      Owner and operator of Bradford Red Fox grocery store. Managed all purchasing, ordering, finances and employees.



**EXHIBIT 4**

**Financial Qualifications**

Business Plan  
For

BitWise Communications, Inc.

April 26, 2000

DRAFT

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## **1.0 Executive Summary**

BitWise Communications, Inc. is a company formed for the purpose of providing customers with cutting edge communication services at reasonable prices. Most of the services offered are considered to be "impossible" by most traditional carriers and therefore no real competition exists. The basic idea is to create a universal "super network" that is capable of carrying any type of medium of communications. This in turn reduces costs of operations significantly by allowing re-use of the pre-existing network capacity can dynamically allocate itself on-the-fly. It also allows for the use of a single connection to carry several services instead of the traditional method of one connection per service.

*So why hasn't this already been done?* The larger companies lack the coordination, customer service, and vision to implement advanced technical services beyond the basic communication services they now offer. The smaller companies lack the technical "know-how" to create and to maintain a next-generation communications network of this size and complexity.

*What can it do?* Anything. If it involves sight, sound, or raw data it can travel the network and arrive at its destination accurately and securely with virtually no delays. The business sector can benefit from virtual private network connections, video conferencing, voice services, wireless services, unified messaging, efficient home offices, and Internet access. Residential customers will benefit from high-speed Internet access, "cable TV" with a much larger channel selection, pay-per-view, wireless services, and phone service all from one company at a significantly reduced price.

## **2.0 Products, Technologies, And Services**

### **2.1 ATM To TDMA**

The conversion from data to traditional service is available to customers who still wish to communicate with other parts of the world. This is the core of our network which basically takes all of the traditional phone company services and customers and makes them available to customers utilizing our new technologies and services.

### **2.2 Virtual Private Networks**

Customers will be able to connect their remote offices, remote home users, and mobile wireless users back to their headquarters via our next generation network. High performance and secure data, voice, and video links will be available to all customers.

### **2.3 POTS Service (Plain Old Telephone System)**

Customers will be able to disconnect from their existing phone company with virtually no effort and switch over to our phone service. Our service offers superior voice quality due to our "fiber to the curb" network design. By converting the customers analog connection to digital out in the field, instead of back at the central office, a less distorted signal is created.

### **2.4 Video Broadcast Services**

Customers will be able to enjoy up to 600 channels of pre-programmed video service i.e. CNN, ESPN, MSNBC, Disney, Discovery Channel, etc. Customers using our advanced set-top box will be capable of receiving three separate MPEG-2 (DVD Quality) video and sound broadcasts simultaneously. This means that unlike DSS satellite technology (which can only receive one channel at a time) three separate TV's in a household or business can be watching three different channels at the same time. The broadcast service also offers a live on-screen program guide with descriptions and schedules.

### **2.5 Pay-Per-View Services**

The same customers who belong to our Video Broadcast Service mentioned above will also have access to new movies and special events for minimal fees will be billed to their account.

### **2.6 Private Channel Video Services**

Business and educational customers will be able to lease private video channels from our network for such applications as distance video learning, employee training, and other special broadcast needs.

## **2.7 xDSL Data Services**

This is the basic high speed data and Internet service offered to residential and small to medium sized businesses. It can be used in conjunction with our VPN and video services for connectivity into our network. We can control downstream and upstream speeds in increments of 32Kbps with speeds as high as 52Mbps (DS-3 equivalent speeds).

## **2.8 DS-1 Data And Voice Services**

This is available for customers with PBX phone switches and other special communication needs. We can also provision these circuits as traditional point-to-point connections. A DS-1 can be a mixture of up to 24 phone or data circuits at 64Kbps each.

## **2.9 Multiplexed DS-1 Data Services**

In environments where coax and fiber are not available or practical, we can "bond" multiple DS-1's together to form a larger "virtual pipe" to get more data bandwidth to a customer.

## **2.10 DS-3 Data And Voice Services**

A DS-3 will allow us to provide a customer with a mix of 672 phone lines and/or up to 45Mbps of full-duplex data. A DS-3 is the equivalent of 28 DS-1's "bonded" together but can still be broken up into individual phone lines and/or data streams.

## **2.11 OC-3, OC-12, OC-48, and OC-192 Data And Voice Services**

Generally these services are reserved for carriers but are made available to customers upon request. The OC stands for optical carrier. An OC-3 is the equivalent of three DS-3's, an OC-12 is the equivalent of 12 DS-3's, etc.

## **2.12 Wireless Data Services**

Will be made available to mobile and out of wire range customers located in extremely remote areas. Data services will be available from 1Mbps to 45Mbps depending upon location. Mobile customers will be able to have full time connectivity to the Internet or their companies network via their laptop computer or hand-held Windows CE device.

## **2.13 Wireless Voice Services**

Service will be available for mobile phones and out of wire range customers. The data/voice phones will be available to business and residential customers. Features will include call waiting, caller ID, three way calling, and voice mail. Customers will also have the option of forwarding their work or home phones to their mobile phones.

## **2.14 Unified Messaging**

Business and residential customers will now be able to have one central "inbox" available to them that will contain all of their voice mail, video mail, e-mail, and faxes that can be accessed from a web browser anywhere in the world.

## **2.15 Remote Storage And Application Services**

Customers will be able to utilize our high speed RAID file servers as file servers and for backups. Customer will now no longer need to purchase common application packages such as Microsoft Office and Corel Office, instead they now can rent them per month.

## **2.16 Direct Download Software Sales**

Customers will be able to purchase software directly from manufacturers through our high speed servers. Customers will be able to use the software within seconds of purchase.

## **3.0 Sales And Marketing**

Most of the initial customers will come from soliciting BitWise Systems, Inc.'s customer base (~10,000 subscribers). Due to BitWise Systems, Inc. success through referrals, minimal advertising on TV, radio, and newspapers will be required to grow the subscriber base. With the types of services we offer word of mouth will travel quickly.

#### **4.0 Deployment**

##### **4.1 Phase I (June 15, 2000)**

The Fusion 5000 switch will be put in place immediately within Ameritech's Peoria Jefferson central office. BitWise Systems, Inc. will be the first customer utilizing 408 phone lines for Internet access. After Fusion 5000 has proven to be stable we will begin to offer DS-1/3 data and services to other customers.

##### **4.2 Phase II (July 1, 2000)**

We will install equipment from Next Level Communications for the purposes of ADSL/VDSL Internet access to business and residential customers. We will be using copper lines directly from all five Ameritech central offices at this time. Land and a building will then be purchased and the fiber build out will have begun.

##### **4.3 Phase III (August 1, 2000)**

POTS service will be added on the same pair of copper as the ADSL/VDSL service operates across. Remote access shelves will begin to be installed out in the field and customer's ADSL/VDSL connections will begin to be switched over to our lines instead of Ameritech's.

##### **4.4 Phase IV (September 1, 2000)**

Video head-end equipment will begin to be installed along with a satellite farm at our central office. Video streaming will be available to customers by the end of the month.

##### **4.5 Phase V (October 1, 2000)**

Wireless services will then be deployed and supplied via our fiber and copper lines (not Ameritech's). Full service should be available by the end of the month.

##### **4.6 Phase VI (November 1, 2000)**

Value added services such as unified messaging and remote applications will be added. All services should be fully functional and available to all customers.

#### **5.0 Financial Analysis**

The following is an estimate of expenses and revenues generated by BitWise Communications, Inc. to cover 5 Ameritech central offices that cover Peoria and the surrounding areas.

##### **5.1 Capitol Equipment**

See attached spreadsheets.

##### **5.2 Monthly Expenses**

See attached spreadsheets.

##### **5.3 Revenues**

See attached spreadsheets.

##### **5.4 Funding Requirements**

See attached spreadsheets.